

STATE OF IOWA  
PROPERTY ASSESSMENT APPEAL BOARD

---

**Marilyn Halterman,**  
Appellant,

**v.**

**Warren County Board of Review,**  
Appellee.

---

**ORDER**

**Docket Nos. 13-91-0485 through 0491**

On November 18, 2013, the above-captioned appeals came on for hearing before the Iowa Property Assessment Appeal Board. The appeals were conducted under Iowa Code section 441.37A(2)(a-b) and Iowa Administrative Code rules 701-71.21(1) et al. The Appellant Marilyn Halterman was self-represented. The Warren County Board of Review designated County Assessor Brian Arnold as its representative. Both parties submitted evidence in support of their positions. The Appeal Board now, having reviewed the entire record, heard the testimony, and being fully advised, finds:

***Findings of Fact***

Marilyn Halterman appeals from the Warren County Board of Review regarding the 2013 property assessments of properties located in the Palmyra Map Area, Ranges 19, 25, and 26, Warren County, Iowa. The appeals include seven agriculturally classified parcels totaling 138.98 acres. Two of the parcels are improved. Parcel 19-000-25-0440 (Docket 13-91-0488) is improved with a 2700 square-foot steel utility building built in 1975, a wire grain storage bin built in 1970, and a small portable shed. The 2013 assessed improvement value for this parcel is \$1800. Parcel 19-000-19-0662 (Docket 13-91-0490) is improved with a one-story, brick single-family residence built in 1915. The 2013 assessed dwelling value is \$90,300. This parcel is also improved with multiple outbuildings,

built between 1960 and 2010. The total 2013 assessed improvement value of these outbuildings is \$9100. The appeals were based on a claim that the agricultural land value is not correct. Therefore, the Appeal Board will not address the value of the improvements.

Dockets 13-91-0485 to 13-91-0488 are contiguous and operated as a unit; page 1 of Exhibit 2 outlines the entirety of this farming unit. Dockets 13-91-0489 to 13-91-0491 are also contiguous and operated as a unit; page 2 of Exhibit 2 outlines the entirety of this farming unit. Halterman filed a separate protest on all seven parcels with the Warren County Board of Review.

The following chart outlines the protests and Halterman's claims:

Docket No.	Parcel No.	Acres	2013 Land AV	Claim	Grounds
13-91-0485	19-000-26-0280	37.85	\$32,300	Over Assessed/Fraud	441.37(1)(a)(2, 5)
13-91-0486	19-000-26-0261	25	\$26,500	Equity/Over Assessed/Error	441.37(1)(a)(1, 2, 4)
13-91-0487	19-000-26-0221	0.71	\$700	Over Assessed/Not Assessable	441.37(1)(a)(2, 3)
13-91-0488	19-000-25-0440	37.99	\$44,000	Equity/Over Assessed/Error	441.37(1)(a)(1, 2, 4)
13-91-0489	19-000-19-0685	20	\$28,100	Equity/Over Assessed/Error	441.37(1)(a)(1, 2, 4)
13-91-0490	19-000-19-0662	17.16	\$30,000	Equity/Over Assessed/Error	441.37(1)(a)(1, 2, 4)
13-91-0491	19-000-19-0664	0.27	\$200	Over Assessed/Not Assessable	441.37(1)(a)(2, 3)
Total		138.98	\$161,800		

The Board of Review denied the protests. Halterman then appealed to this Board essentially asserting in every appeal that there is an error in the assessment under section 441.37(1)(a)(4). We recognize the claim in all of her appeals is that the sites are either over-valued under section 441.37(1)(a)(2); the parcels should not be valued under section 441.37(1)(a)(3); and in her opinion the corn suitability ratings (CSR) are in error for every parcel under section 441.37(1)(a)(4), resulting in an incorrect assessment. We find her over-arching claim for every parcel was an error claim; and her assertions have not changed. We will proceed with her appeals considering the claim of error.

On every docket, Halterman provided Exhibit A, which is an aerial Farm Service Agency (FSA) map of the subject parcels that shows the non-tillable acres. Each Exhibit A has a green outline

of the parcel in question for that docket. Additionally, in each docket there is an Exhibit, which identifies the soil type of the parcel for 2003. For most of the dockets, this is Exhibit D1; for Docket 13-91-0485 it is E1. She compares this to Exhibit D2 or E2, which identifies the soil type of the parcel for 2013. For example, she notes in one case (Docket 13-91-0485) the Zook soil type had a 35 CSR in 2003 (E1), yet it increased to 70 CSR in 2013 (E2). She asserts none of the subject parcels can produce at the corn suitability ratings (CSR) noted for 2013 and she requests the ratings be returned to the 2003 CSRs.

On Exhibit B, which again is the same for every docket but specific to the parcel, Halterman notes that previous “red lines” on the map show formerly noted waterways and ditches. She compares this to the overlay of “blue lines” on the map, which only show the creeks. She asserts the old waterways and ditches are still there and should be considered because she cannot farm those areas. Halterman also testified a waterway limits access to the north portion of parcel 19-000-26-0261 (Docket 13-91-0486). She does not believe the CSRs should increase when she is unable to use these portions of her parcels.

Halterman referred to the Board of Review’s Exhibit 2, which consists of two maps. Page 1 is an aerial of Dockets 13-91-0485 to Docket 13-91-0488 and a green overlay shows the flooding of those sites. On this map, she points out the parcel associated with Docket 13-91-0487 is almost entirely in the flood plain. We note this parcel has an assessed value of \$700.

The primary homestead consists of Dockets 13-91-0489 to 13-91-0491 with a total of 37.43 acres between the three contiguous parcels. One parcel (Docket 13-91-0489) has a pond on the site. One parcel (Docket 13-91-0491) is a small, triangular parcel that was taken years ago through an eminent domain process for road construction, and eventually purchased back by the Haltermans for \$20.00. Halterman asserts it is “wasteland” and it cannot be mown because of the wet soil. For this reason, she thinks the parcel has no value.

Ultimately, Halterman disagrees with the CSR ratings and claims she has many wet areas and ditches where crops cannot be grown. She believes it should be non-tillable as identified by the map from the FSA. She further explained that she is caught in a “Catch 22” – she cannot till the land because it is identified by the FSA as Highly Erodible Land (HEL) sloped, and wet. Moreover, she is not eligible for a wetland or Conservation Reserve Program (CRP) because the land has not been in production for many years. She testified that she recognizes the problem of not qualifying for the wetland or CRP programs is not properly before this Board.

She does not believe the production on her farms support the CSR ratings. She asserts row crop producers can increase population and fertilization to increase their yields. This is not possible for a cow/calf operation; her property will not support any more cattle. As such, she does not believe it is fair or equal to value her properties the same as a row-crop farm. She asks that the assessments on pasture and flood plain be returned to the “unimproved” CSR ratings.

County Assessor Brian Arnold testified for the Board of Review. Arnold identified Exhibit 4 as a printout from the Iowa Department of Natural Resources (DNR) depository of information. He explains that assessors do not maintain soil maps, soil spots, soil lines, or CSR ratings. Everything assessors rely on is digital information that is downloaded from an authority source. He further explained the original soil survey maintained an “improved” and “unimproved” soil rating, which was eventually abandoned. He does not know why it was maintained in this fashion. We note the 2008 *Iowa Real Property Appraisal Manual* (page 2-26) provides a distinction between improved and unimproved agricultural soil ratings.

Arnold explained that in 2011, several members of the community informed the Assessor’s office the CSR ratings being used were wrong. Therefore, it contacted the National Resources Conservation Services (NRCS) office and asked them for a list of Warren County soil types and the ratings for those soil types. Additionally, when the Assessor’s office compared this list to the tables it

was using, it found about 19 soil types where the CSR ratings being used were much lower than indicated by the NRCS. Because he was not the Assessor while the incorrect NRCS was being used, he can only speculate that the previous assessor used the paper book and inadvertently entered the “unimproved” CSR ratings into the tables, rather than the “improved” CSR ratings. Now, the actual soil maps that are downloaded with the modern soil survey do not have a distinction between improved and unimproved; it is simply a soil type. Arnold explained that because of this several soil types, such as the Zook or Colo, have “gone up” – although he asserts the number itself really didn’t change, it was essentially just a correction of an error from the previous tables.

Regarding Halterman’s Exhibit B where she was critical that waterways or drain lines were removed, Arnold explained the most current information does not reflect the former drain lines. He cannot explain why the lines were removed, because the assessor’s office does not maintain the maps, but rather simply relies on the data provided by the authoritative sources.

Arnold references page 1 of Exhibit 2 and identified the “green area” as the flood plain area. Then, looking at Exhibit 1, Docket 13-91-0448 – the soil summary shows that many of the soil types are listed twice. Two different ratings are determined based on whether the soil is located in the floodplain or outside of the floodplain. Currently a 15% reduction is placed on the soil types located in a floodplain. However, with the amendment to Iowa Administrative Code Rule 701-71.3(1), explained in Exhibit 5, the non-tillable ground will receive an adjustment. Arnold intends to implement this amendment for the 2014 assessment. This will result in the floodplain adjustment going away and replaced with a non-cropland ground adjustment. Arnold also noted that the Assessor will be responsible for maintaining the non-cropland data and maps, which is based on 2008 FSA maps.

Arnold referenced Iowa Code section 441.21(1)(f) which states, “In counties or townships in which field work on a modern soil survey has been completed since January 1, 1949, the assessor shall place emphasis upon the results of the survey in spreading valuation among individual parcels of such

agricultural property.” Arnold testified that the Department of Revenue has directed assessors shall interpret “modern soil survey” to be the most recent available. Therefore, assessors are not given a choice as to what survey to download – but rather, must use the most recent available. Further, he testified that agricultural land in Iowa is not a market value opinion, but rather it is valued by productivity. Because the valuation is not market-driven, he said it would be difficult to apply specific “spot adjustments,” for example, because those types of adjustments would be subjective rather than determined by the objective formula based on productivity.

While we understand Halterman’s concerns, we find she did not provide sufficient evidence to support her assertions the CSR ratings are incorrect. Further, we find Arnold has properly applied the productivity and net earning capacity formula, as prescribed by law, in determining the assessment for each of the parcels.

The Appeal Board finds there is insufficient evidence to support the claim that there are errors on any of the subject parcels.

### ***Conclusions of Law***

The Appeal Board applied the following law.

The Appeal Board has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A (2011). This Board is an agency and the provisions of the Administrative Procedure Act apply to it. Iowa Code § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). The Appeal Board determines anew all questions arising before the Board of Review related to the liability of the property to assessment or the assessed amount. § 441.37A(3)(a). The Appeal Board considers only those grounds presented to or considered by the Board of Review. § 441.37A(1)(b). But new or additional evidence may be introduced. *Id.* The Appeal Board considers the record as a whole and all of the evidence regardless of who introduced it. § 441.37A(3)(a); *see also Hy-vee, Inc. v. Employment*

*Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption that the assessed value is correct. § 441.37A(3)(a).

As this Board previously found, Halterman's claims essentially assert there was an error in the assessment of the subject parcels under section 441.37(1)(a)(4). Section 441.37(1)(a)(4) is not limited solely to clerical or mathematical errors. The administrative rule interpreting this section indicates that the error may be more than what is alleged by the Board of Review. While "[a]n error in the assessment *would most probably* involve erroneous mathematical computations or errors in listing the property[, ] [t]he improper classification of property also constitutes an error in the assessment." Iowa Administrative r. 701-71.20(4)(b)(4) (emphasis added). This language suggests that other errors may constitute grounds for appeal pursuant to section.

Iowa Code section 441.21(1)(e) provides that agricultural real estate be assessed at its actual value by giving exclusive consideration to its productivity and net earning capacity. In determining the productivity and net earning capacity of agricultural real estate, the assessor is required to use available data from Iowa State University, the Iowa crop and livestock reporting service, the Department of Revenue, the *Iowa Real Property Appraisal Manual*, and to consider the results of a modern soil survey, if completed. Iowa Code § 441.21(1)(f); Iowa Administrative Code r. 701-71.3. The parcels at issue all carry an agricultural classification, which requires that they are valued using the set formula. *See* Iowa Admin. Code r. 701-71.3, 701-71.12.

Halterman argues that the subject parcel's CSRs should be returned to the 2003 level because the 2013 CSRs do not accurately reflect the parcel's productivity. We recognize that granting Halterman's specific request to have these parcels assessed using the 2003 CSR values would create inequity by assessing properties with identical soil types and characteristics in the same assessing jurisdiction in a non-uniform manner. Rather, Arnold's testimony indicates the use of the 2003 CSRs on these parcels was an error and that his office was merely correcting the error. Essentially these

parcels benefited from a data error for a number of years that effectively resulted in an under-assessment. Subsequent correction of that error does not mean these parcels are now over-assessed or there is an error in the assessment.

Halterman also asks that the assessments on the pasture and flood plain be returned to the “unimproved” CSR ratings. Again, modifying the assessment for only these particular parcels would create inequity. As Arnold noted in his testimony, however, implementation of the amendment to Iowa Administrative Code Rule 701-71.3(1) will provide an adjustment to non-cropland. Portions of the property Halterman identified, such as the roads, ditches, and waterways, may be considered non-cropland under the amended rule and subject to the adjustment. Arnold stated that his office intends to implement the amended rule for the 2014 assessment. As such, we suggest Halterman consult with the Assessor’s office and discuss how implementation of the amendment may impact these parcels.

Finally, Halterman requests that this Board find areas of the property and certain parcels non-assessable because they have no value. However, she provided no legal support for her assertion that these areas are non-assessable or legally entitled to an exemption.



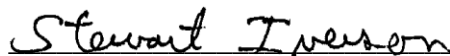
We find Halterman provided insufficient evidence to support the claim that the subject sites have errors in the assessments.

THE APPEAL BOARD ORDERS the January 1, 2013, assessment of the agriculturally classified parcels located in the Palmyra Map Area, Ranges 19, 25, and 26, Warren County, Iowa, are affirmed.

Dated this 16th day of December, 2013.



Karen Oberman, Presiding Officer



Stewart Iverson, Board Chair



Jacqueline Rypma, Board Member

Cc:

Marilyn Halterman  
19057 Drake Street  
Carlisle, Iowa 50047  
APPELLANT

Brian Arnold  
301 NW Buxton, Suite 108  
Indianola, Iowa 50125  
REPRESENTATIVE FOR APPELLEE

Karla J. Fultz  
Assistant Warren County Attorney  
301 N. Buxton St., Suite 301  
Indianola, IA 50125  
ATTORNEY FOR APPELLEE